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**23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND**  
**COMPONENT UNIT FINANCIAL REPORT**  
**YEAR ENDED DECEMBER 31, 1999**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 7-26-00

T A B L E   O F   C O N T E N T S

	<u>PAGE</u>
<b>INDEPENDENT AUDITORS' REPORT ON THE FINANCIAL STATEMENTS</b> .....	3
<b>COMPONENT UNIT FINANCIAL STATEMENTS (COMBINED STATEMENTS - OVERVIEW):</b>	
Combined Balance Sheet - All Fund Types and Account Groups .....	4
<i>Statement of Revenues and Expenditures and Changes in Fund     Balance - General Fund</i> .....	5
Notes to Financial Statements .....	6
<b>AUDITORS' REPORT ON COMPLIANCE AND INTERNAL ACCOUNTING CONTROLS</b> .....	10
<b>SUPPLEMENTAL INFORMATION</b> .....	12
<b>DATA COLLECTION FORM</b> .....	13

# *Latuso & Company*

## *Certified Public Accountants*

114 E. Ascension St.  
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Phone (504) 647-2824

23rd Judicial District Judicial Expense Fund  
Gonzales, Louisiana

### INDEPENDENT AUDITORS' REPORT

We have audited the accompanying component unit financial statements of 23rd Judicial District Judicial Expense Fund as of and for the year ended December 31, 1999. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain a reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

*The financial statements referred to above include only the financial activities of the component unit. Financial activities of the oversight unit are not included.*

*Since the Fund is not legally required to adopt a budget of revenues and expenditures, no budget to actual comparison is presented.*

*In our opinion, the component unit financial statements referred to in the first paragraph present fairly, in all material respects, the financial position of the 23rd Judicial District Judicial Expense Fund, as of December 31, 1999 and the results of its operations for the year then ended in conformity with generally accepted accounting principles.*

*Latuso & Company*

June 6, 2000

**23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND**

**COMBINED BALANCE SHEET - ALL FUND TYPES AND ACCOUNT GROUPS**

**DECEMBER 31, 1999**

	DECEMBER 31, 1999		
	<u>GOVERNMENTAL FUND TYPE GENERAL FUND</u>	<u>ACCOUNT GROUP GENERAL FIXED ASSETS</u>	<u>TOTAL MEMORANDUM ONLY</u>
<b><u>ASSETS</u></b>			
Cash (Note 2)	\$152,509	\$ -	\$152,509
Investment (Note 2)	187,285	-	187,285
Receivable from Clerk of Court's offices	14,830	-	14,830
General fixed assets (Note 3)	<u>-</u>	<u>92,237</u>	<u>92,237</u>
Total assets	<u>\$354,624</u>	<u>\$92,237</u>	<u>\$446,861</u>
<b><u>LIABILITIES &amp; FUND EQUITY</u></b>			
<b>LIABILITIES:</b>			
Accounts payable	\$ 562	\$ -	\$ 562
<b>FUND EQUITY:</b>			
Investment in general fixed assets	-	92,237	92,237
Fund balance	<u>354,062</u>	<u>-</u>	<u>354,062</u>
Total liabilities & fund equity	<u>\$354,624</u>	<u>\$92,237</u>	<u>\$446,861</u>

The accompanying notes are an integral part of the statement.

**23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND**  
**STATEMENTS OF REVENUES AND EXPENDITURES AND**  
**CHANGES IN FUND BALANCE**  
**GENERAL FUND**  
**YEAR ENDED DECEMBER 31, 1999**

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<b>REVENUES:</b>	
Court fees	\$138,853
Interest income	<u>10,363</u>
Total revenues	149,216
 <b>EXPENDITURES:</b>	
General Government:	
Travel and seminars	19,919
Juror's meals	7,785
Vehicle allowance	7,394
Supplies	3,429
Professional fees	3,300
Dues & subscriptions	2,244
Staff uniforms	2,140
Telephone	976
Miscellaneous	20
Capital outlays	<u>9,059</u>
Total expenses	<u>56,266</u>
<b>EXCESS OF REVENUE OVER EXPENDITURES</b>	92,950
<b>FUND BALANCE, at beginning of year</b>	<u>261,112</u>
<b>FUND BALANCE, at end of year</b>	<u><u>\$354,062</u></u>

The accompanying notes are an integral part of the statement.

## 23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

### NOTES TO THE FINANCIAL STATEMENTS

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#### **NOTE 1 - SUMMARY OF ACCOUNTING POLICIES**

The 23rd Judicial District Judicial Expense Fund was established in 1995 under Act No. 435 which was an amendment to Title 13 of the Louisiana Revised Statutes of 1950. The Expense Fund was established for the purpose of paying expenses for the Court deemed necessary by the Judges for efficient operations of the court.

#### **BASIS OF PRESENTATION**

The accompanying financial statements of the 23rd Judicial District Judicial Expense Fund conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

#### **FINANCIAL REPORTING ENTITY**

GASB Statement No. 14 established criteria for determining the governmental reporting entity and component units that should be included within the reporting entity. Oversight responsibility by the Judicial Expense Fund is determined on the basis of the accountability for fiscal matters under the control of the Judicial Expense Fund's Judges.

Because the operations of the Court are funded by Ascension Parish Police Jury government, the Fund was determined to be a component unit of the Ascension Parish Police Jury, the governing body of the parish and the governmental body with oversight responsibility. The accompanying financial statements present information only on the funds maintained by the Judicial Expense Fund and do not present information on the Ascension Parish Police Jury, the general government services provided by that governmental unit, or the other governmental units that comprise the governmental reporting entity.

#### **FUND ACCOUNTING**

The Judicial Expense Fund uses funds and account groups to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions relating to certain government functions or activities.

## 23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

### NOTES TO THE FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - (CONTINUED)

##### FUND ACCOUNTING - (CONTINUED)

A fund is a separate accounting entity with self-balancing set of accounts. On the other hand, an account group is a financial reporting device designed to provide accountability for certain assets and liabilities that are not recorded in the funds because they do not directly affect net expendable available financial resources.

Funds of the Judicial Expense Fund are classified as governmental funds. Governmental funds account for the Judicial Expense Fund's general activities, including the collection and disbursement of specific or legally restricted monies, the acquisition or construction of general fixed assets, and the servicing of general long-term debt. The Judicial Expense Fund maintains the following fund types and account groups:

*Governmental fund types*, that includes the General Fund, which is used to record the general operations of the Judicial Expense Fund.

*General fixed assets*, which is used to account for property and equipment purchased by the General Fund.

##### CASH AND CASH EQUIVALENTS AND INVESTMENTS

Cash includes amounts in demand deposits. Cash equivalents include amounts in time deposits and those investments with original maturities of 90 days or less. Under state law, the Judicial Expense Fund may deposit funds in demand deposits, interest-bearing demand deposits, or time deposits with state banks organized under Louisiana law or any other state of the United States, or under the laws of the United States.

Under state law, the Judicial Expense Fund may invest in United States bonds, treasury notes, or certificates of deposit. These are classified as investments if their original maturities exceed 90 days; however, if the original maturities are 90 days or less, they are classified as cash equivalents. Investments are stated at cost, which includes compounded interest.

## 23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

### NOTES TO THE FINANCIAL STATEMENTS

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#### NOTE 1 - SUMMARY OF ACCOUNTING POLICIES - (CONTINUED)

##### FIXED ASSETS

Fixed assets of governmental funds are recorded as expenditures at the time they are purchased or constructed, and the related assets are capitalized (reported) in the general fixed assets account group. No fixed asset costs have been estimated. No depreciation has been provided on general fixed assets.

##### BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

All government funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Court fees are considered measurable when in the hands of the clerk of courts and are considered revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred.

##### BUDGETS AND BUDGETARY ACCOUNTING

The expense fund does not use budgeting as part of their financial reporting.

##### TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

As of December 31, 1999, the total columns on the combined statements - overview are captioned Memorandum Only to indicate that they are presented only to facilitate financial analysis. Data in this column does not present financial position, or results of operations in conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. There are no interfund transactions or balances.

#### **NOTE 2 - CASH AND INVESTMENTS**

Cash and investments consist entirely of a checking account and certificates of deposit. These deposits and certificates are stated at cost, which approximates market.

## 23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND

### NOTES TO THE FINANCIAL STATEMENTS

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#### NOTE 2 - CASH AND INVESTMENTS - (CONTINUED)

The certificates of deposit mature on a semi-annual basis, with interest being compounded monthly.

The carrying amount of the Fund's deposits with financial institutions was \$288,068 and the bank balance was \$289,691. The bank balance is collateralized by the bank as follows:

Amount insured by the FDIC	\$151,727
Investments that are insured and being held by agent	<u>137,964</u>
Total bank balance	<u>\$289,691</u>

#### NOTE 3 - CHANGES IN GENERAL FIXED ASSETS

A summary of the changes in general fixed assets follows:

	<u>BALANCE DECEMBER 31, 1998</u>	<u>1999 ADDITIONS</u>	<u>BALANCE DECEMBER 31, 1999</u>
Equipment & Furniture	\$ 74,410	\$ 9,059	\$83,469
Building improvements	<u>8,768</u>	<u>-</u>	<u>8,768</u>
Total general fixed assets	<u>\$ 83,178</u>	<u>\$ 9,059</u>	<u>\$92,237</u>

#### NOTE 4 - YEAR 2000 ISSUE

The 23rd District Fund has completed an inventory of computers and other electronic equipment that may be affected by the year 2000 issue and that are necessary to conducting its operation. They have identified such systems as being financial reporting and payroll. All systems have been tested, remediated and validated.

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23rd Judicial District Judicial Expense Fund  
Gonzales, Louisiana

### INDEPENDENT AUDITORS' REPORT ON COMPLIANCE AND INTERNAL ACCOUNTING CONTROLS

We have audited the component unit financial statements of the 23rd Judicial District Judicial Expense Fund, for the year ended December 31, 1999 and have issued our report thereon dated June 6, 2000. We conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

#### Compliance

As part of obtaining reasonable assurance about whether 23rd Judicial District Judicial Expense Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, and contracts, with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

#### Internal Control Over Financial Reporting

In planning and performing our audit, we considered 23rd Judicial District Judicial Expense Fund's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Judges and Legislative Auditor and is not intended to be and should not be used by anyone other than these specified parties.

*Latuso & Company*

June 6, 2000

**23RD JUDICIAL DISTRICT JUDICIAL EXPENSE FUND**

**SUPPLEMENTAL INFORMATION**

**YEARS ENDED DECEMBER 31, 1999**

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**SCHEDULE OF FEDERAL ASSISTANCE**

None

**SCHEDULE OF PER-DIEM PAID TO JUDGES**

None